

EXECUTIVE SUMMARY

BACKGROUND

This report is the first comprehensive overview of women's enterprise in England at the regional level. The research was undertaken between November 2004 and February 2005. It sets out:

- a baseline showing the extent to which women are active in enterprise at the regional level;
- the relevant strategies and policies of the nine Regional Development Agencies (RDAs);
- the activities of the RDAs regarding their levels of support and development for women's enterprise;
- proposals to assess future progress on activity to promote women's enterprise at a regional level using a bespoke benchmarking tool.

FINDINGS

Generally, those regions with the more dynamic economic and labour market characteristics – London, the South East, the South West and the East of England – tend to show better rates of female entrepreneurship than those in the Midlands, and those in the North.

The Government's *Strategic Framework for Women's Enterprise* noted in May 2003 that, "At a cultural level, there is a failure to recognise and value the contribution – and potential contribution – of women-owned businesses to the UK economy."

The research undertaken for this report suggests that this view is gradually changing across the regions. However, the contribution of women in a variety of circumstances remains under-utilised at present, partly because it is not very clearly understood or articulated, and also because there is a real need for further quantitative evidence to be gathered and presented.

At the regional level, tangible progress on the promotion of women's enterprise has been made:

- work is ongoing in each region on designing and delivering activities which are aimed at improving the position of women with regard to the services that are available to help women to think about, start and grow their businesses;
- women's enterprise promotion is increasingly being viewed in the regions as a vital untapped enterprise resource, rather than only as a means of addressing social exclusion; partners and

stakeholders in regions have made, or are making, clear attempts to explain how the women's enterprise agenda fits with the enterprise and growth priorities in their region as articulated in Regional Economic Strategies and Corporate plans;

- most regions have commissioned, or are in the process of commissioning, research to map and to understand better the support for women's enterprise available within the region;
- a focus on sector-related attitudes to enterprise at the regional level complements national government attention on occupational and sectoral segregation in the labour market;
- steady progress is being made across the regions on the development of clearly articulated and communicated women's enterprise strategies – some regions have already published these and others are in the process of consulting on them or on drawing up consultation drafts;
- building on the development of the regional women's enterprise strategies, progress is also being made on the preparation and delivery of regional women's enterprise action plans – in some cases down to county level - which explain how the strategies will be delivered, and set out clear responsibilities for 'who will do what, when and how';
- in the cases where regions have produced a women's enterprise strategy and/or action plan, the outputs are informed by the 'action priorities' set out in the *Strategic Framework*;
- three out of nine regions (East Midlands, South East, and North West) have appointed regional women's enterprise co-ordinators. Other regions are in the process of appointing co-ordinators;
- the women's enterprise regional co-ordinator role may be more effective if appointed at a senior position within the RDA. The level at which the role is undertaken can be regarded as reflecting RDA commitment and can also enable the appointment of a postholder with the required understanding and skills to act effectively;

- serious consideration will need to be given to the way in which enterprise and business support services for women are funded, with a growing emphasis on more sustainable funding through mainstream and core funding, rather than on an ad hoc project-by-project basis. This will be important for ensuring that women's enterprise activity is put onto a more sure footing in the near future;
- there continues to be a lack of reliable data on business ownership disaggregated by gender, which is hindering the development of evidence-based policy in this area. Whilst this remains a challenge it need not prevent the construction of targets even if the data sources and methods require some enhancement, qualification and greater accuracy in the future;
- these findings suggest that new ways of thinking about levels of enterprise and business ownership amongst women (and other groups) need to be found so that the picture can be understood in a much clearer way than is currently the case;
- women are not a homogeneous group. Further work needs to be undertaken to identify more clearly the needs of disabled women, those from different ethnic backgrounds, different age groups and those in different positions in the labour market, such as those with different educational backgrounds or experiencing unemployment or worklessness; and
- much of the evidence to date suggests that the differences between women's and men's usage of the mainstream services for support provided through the Business Link Operator network reflects patterns of business ownership. Previous research for Prowess suggests that where the needs of women have been considered in service delivery, usage by them of the services offered improves. This suggests that, as the *Strategic Framework for Women's Enterprise* states, provision for women's enterprise and business support should be delivered as part of mainstream provision in the long-term. However, it will be crucial for service delivery to be changed or for new service offers to be developed that can adequately take account of the needs of women.

RECOMMENDATIONS

The recommendations fall into three categories. The first set emphasises how Prowess should take forward its lobbying and advocacy role. The second set focuses on Prowess dialogue with the RDAs. The third set suggests how Prowess might develop further its dialogue with the SBS.

PROWESS: AN AGENDA FOR MOVING FORWARD

Recommendation 1: Prowess should continue to raise awareness of services and products, such as Gender Focus, that can help improve the way in which services are delivered to women in business, those considering starting-up or those who require support before considering start-up options. This should be done in a way that allows the widest scale of roll-out in the regions whilst maintaining quality.

Recommendation 2: Prowess should continue to promote high quality research efforts that provide a greater understanding of the economic contribution of women's enterprise as a key economic driver of regional wealth creation.

Recommendation 3: Prowess should continue to advocate the importance of services for women in different groups that reflect their needs through improved service delivery or the creation of new service offers.

Recommendation 4: Prowess should continue to promote its flagship model as a means for assessing the extent to which service provision takes into account the needs of women, and as a mechanism for improving service delivery to women.

Recommendation 5: Prowess should undertake further research examining the motivations of those active in the promotion of women's enterprise with a view to providing support for key individuals to ensure that activities become embedded in the respective organisation's approach, rather than depending solely on the commitment and enthusiasm of one or two individuals.

PROWESS AND THE REGIONAL DEVELOPMENT AGENCIES

Recommendation 6: Prowess should target its support and expertise to those regions that are currently in the process of developing strategies/action plans. This should be based on the four action priority areas set

out in the *Strategic Framework*, and take the form of supporting individual RDAs by providing a forum for them to meet up at least twice a year to share experiences, approaches and intelligence.

Recommendation 7: Prowess should invite colleagues from SBS, the RDAs, Regional Observatories, academics and consultants to a workshop to discuss the baseline measures and scorecard approach set out in this report. A workshop should be organised annually to review progress on data methods used to assess progress on women's enterprise.

Recommendation 8: Prowess should support the three Northern RDAs in their work on the Northern Enterprise Initiative, and efforts to establish the Women into Enterprise Initiative to be underway by September 2005.

PROWESS AND THE SMALL BUSINESS SERVICE

Recommendation 9: Prowess should discuss with SBS and with the RDAs the possibilities for co-ordinated research funding for major survey work such as the Global Entrepreneurship Monitor, and enhancements to the SBS Household and Annual Small Business Surveys.

Recommendation 10: Prowess should work with SBS and the RDAs to ensure that service planning, delivery and funding regimes take adequate account of clearly identified output/outcome indicators applicable to women's enterprise. This will also require consideration of how client management and project and programme monitoring systems collect and utilise data that can be disaggregated by gender.